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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/684,125	10/10/2003	Xiao Zhang	ROC920030245US1	2745

46797 7590 12/05/2008

IBM CORPORATION, INTELLECTUAL PROPERTY LAW
DEPT 917, BLDG. 006-1
3605 HIGHWAY 52 NORTH
ROCHESTER, MN 55901-7829

EXAMINER	
DAGNEW, SABA	

ART UNIT	PAPER NUMBER
3688	

MAIL DATE	DELIVERY MODE
12/05/2008	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

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BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Application Number: 10/684,125
Filing Date: October 10, 2003
Appellant(s): ZHANG, XIAO

Gero G. McClellan
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 15 October 2008 appealing from the Office action mailed 21 May 2008.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The following are the related appeals, interferences, and judicial proceedings known to the examiner which may be related to, directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal:

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct with the addition of the New Ground of Rejection discussed below:

NEW GROUND(S) OF REJECTION

Claims 1-8 are rejected under 35 U.S.C. 101 because of the claimed invitation is directed to non-statutory subject matter.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

6,618,714	ABRAHAM	9-2003
6,754,816	LAYTON et al	6-2004
6,785,805	HOUSE et al	8-2004
6,879,926	SCHMIT et al	4-2005
6,985,876	LEE	1-2006
7,016,864	NOTZ et al	3-2006
7,062,451	DENTEL et al	6-2006

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims: This is a copy of the final rejection mailed on 21 May 2008.

a. Claims 1-15 and 33-36 are rejected under 35 U.S.C. 102(b) as being anticipated by Henson (6,167,383).

Claims 1, 5, and 9: Henson discloses a method for cross-selling products based on a system configuration, comprising:

a. receiving an order (product selection) from a user (Figures 3a-3c; column 4, lines 41-47; and column 6, lines 18-43);

b. determining if there are one or more cross-sells based on the ordered products and the state (configuration) of the system (column 10, lines 30-48);

c. presenting the discounted cross-sells to the user based on the state (configuration) of the system (column 6, lines 39-43; column 7, lines 22-41; and column 9, line 40 – column 10, line 18); and

d. calculating the price of the newly configured system (Figures 3a-3c).

The Examiner notes that the Applicant has defined "cross-sells" to include "cross-sell products may be offered at a discounted price (or be entirely free), but only when purchased along with another specific product." (page 10, paragraph 0039). Henson explicitly discloses offering the user "McAfee VirusScan 3.1 at no additional charge" when the user has selected Microsoft Windows 95 or 98. (Figure 3a). Thus, Henson is offering a cross-sell "at a discount based on the state of the system", but only when it "is determined to be compatible with the state of the system", i.e. only when the user has selected Microsoft Windows 95 or 98.

Claim 2: Henson disclose a method as in Claim 1 above, and further discloses the order (products) has been processed to verify the validity (compatibility) of the system as it is received (column 10, lines 30-48).

Claims 3, 12, and 13: Henson discloses a method as in Claim 1 and 9 above, and further discloses that the individual products have been validated as they are received to ensure compatibility with the system so that the system can operate properly (Figures 3a-3c and column 7, line 57 – column 8, line 44).

Claims 4 and 11: Henson discloses a method as in Claims 1 and 9 above, and further discloses qualifying the order is based on predefined conditions (column 10, lines 30-48).

Claim 6: Henson discloses a method as in Claim 1 above, and further discloses receiving a selection of a cross-sell product from the user and adding that selected product to the system (Figures 3a-3c). The Examiner notes that the system has already determined that the cross-sell product is compatible with the system before offering the cross-sell to the customer (see Claim 1 above). Thus, it is inherent that the cross-sell product selected by the user is compatible. Nonetheless, Henson also discloses presenting a message to the user indicating when an incompatible product has been selected by the user (column 5, lines 1-2; column 6, lines 39-43; column 7, lines 22-38 and 57-61).

Claims 7 and 14: Henson discloses a method as in Claims 1 and 9 above, and further discloses presenting the cross-sell products via a graphical user interface (GUI) (column 6, lines 39-43; column 7, lines 22-41; and column 9, line 40 – column 10, line 18).

Claims 8, 10 and 15: Henson discloses a method as in Claims 7, 9, and 14 above, and further discloses a selectable graphical element that enables the user to add one or more of the cross-sell products to the system (Figures 3a-3c).

Claim 33: Henson discloses a method for cross-selling products based on a system configuration, comprising:

a. receiving user selection of one or more components of a configured system (Figures 3a-3c; column 4, lines 41-47; and column 6, lines 18-43);

b. determining, based on the selected components, one or more cross-sell products that may be added to (i.e. compatible with) the system (column 10, lines 30-48);

c. determining a discounted value for each of the cross-sell products (inherent);

d. providing to the user one or more indications (i.e. a list of the cross-sell product or products) along with the determined discount price (Figure 3a);

e. receiving a user selection of a cross-sell product and adding it to the system (Figures 3a-3c); and

f. presenting a message to the user indicating a valid or invalid selection (column 5, lines 1-2; column 6, lines 39-43; column 7, lines 22-38 and 57-61).

The Examiner notes that the claimed steps referencing "software wizards to assist the user in configuring the configured system" are the equivalent to the steps performed by Henson's "configuration, pricing, validation, shipment delay indication, and merchandising modules" (column 6, lines 31-34), and are reiterations of the steps a-e above for each new component product selected by the user.

Claim 34: Henson discloses a method as in Claim 33 above, and further discloses applying matching logic to determine whether the component product satisfies

predefined conditions. Henson explicitly discloses offering the user "McAfee VirusScan 3.1 at no additional charge" when the user has selected Microsoft Windows 95 or 98. (Figure 3a). Thus, Henson is offering a cross-sell "at a discount based on the state of the system", but only when it "is determined that the component satisfies predefined conditions", i.e. only when the user has selected Microsoft Windows 95 or 98.

Claims 35 and 36: Henson discloses a method as in Claim 33 above, and further discloses a limited quantity of the cross-sell product based on one or more component products selected by the user (column 8, lines 34-55). Henson gives an example of the system providing a warning message to the user when a motherboard will allow only three things to be added and the user attempts to select a fourth product.

b. Claims 37-43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Henson (6,167,383).

Claim 37: Henson discloses a method for cross-selling products based on a system configuration, comprising:

a. receiving user selection of one or more components of a configured system (Figures 3a-3c; column 4, lines 41-47; and column 6, lines 18-43);

b. determining, based on the selected components, one or more cross-sell products that may be added to (i.e. compatible with) the system (column 10, lines 30-48);

c. determining a discounted value for each of the cross-sell products (inherent);

d. providing to the user one or more indications (i.e. a list of the cross-sell product or products) along with the determined discount price (Figure 3a);

e. receiving a user selection of a cross-sell product and adding it to the system (Figures 3a-3c); and

f. presenting a message to the user indicating a valid or invalid selection (column 5, lines 1-2; column 6, lines 39-43; column 7, lines 22-38 and 57-61).

While Henson does not explicitly disclose receiving a second configured system based on a previous order from the same user, it is disclosed that the user may be an individual, a business (small, medium, or large), or a government employee (Figure 8) and it is also disclosed the system asks if the user is a previous customer (Figure 7). The Examiner also notes that compatibility with legacy systems is always a main concern to businesses looking to upgrade or expand their existing systems. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made for Henson to check the compatibility of the component of the new system to each other, but also the compatibility of the components (and the whole system) with one or more previously ordered systems. One would have been motivated to do such a compatibility check between the systems in order to allow businesses to integrate the new system with their legacy systems. Additionally, if it is determined that the two systems are not compatible (e.g. old Mac system vs new PC system), such a determination may provide the opportunity for the merchant to present an offer to the user for additional software or hardware, such as a MAC to PAC converter.

Claim 38: Henson discloses a method as in Claim 37 above, and further discloses the discount (free McAfee VirusScan software) is based on the first configured system (Figure 3a).

Claims 39 and 40: Henson discloses a method as in Claim 37 above, but does not explicitly disclose that the discount is based on the second or both of the systems. However, as discussed above, it would have been obvious to one having ordinary skill in the art at the time the invention was made for Henson to select a cross-sell (discount) based not only on the currently selected system (first system), but also based in whole or in part on any previously ordered system (i.e. legacy system) of the user. One would have been motivated to select the cross-sell based at least in part on the user's legacy system in order to allow easier updates of the system, eliminate the need to maintain several similar programs (e.g. using both McAfee and Norton anti-virus software within the business' system), etc.

Claim 41: Henson discloses a method as in Claim 37 above, and further discloses the discount is the entire price of the product, i.e. a free product (Figure 3a).

Claims 42 and 43: Henson discloses a method as in Claim 37 above, and further discloses a limited quantity of the cross-sell product based on one or more component products selected by the user (column 8, lines 34-55). Henson gives an example of the

system providing a warning message to the user when a motherboard will allow only three things to be added and the user attempts to select a fourth product.

NEW GROUND(S) OF REJECTION

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-8 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Based on Supreme Court precedent a method claim must (1) be tied to another statutory class of invention (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (see at least *Diamond v.* Diehr, 450 U.S. 175, 184 (1981); *Parker v.* Flook, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v.* Benson, 409 U.S. 63, 70 (1972); *Cochrane v.* Deener, 94 U.S. 780, 787-88 (1876)). A method claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here claims 7-10 and 12-14 fail to meet the above requirements.

(10) Response to Argument

The Appellant argued in page 12 Henson does not disclose "each and every element as set forth in the clam". For example, Henson does not disclose " a computer-implemented method of cross-selling product based on a system for sale to a customer that includes "presenting the one or more cross-sell products to the user, wherein each of the one or more cross-sell product presented to the user is offered at a discount

based on sate of system, and wherein each of the one or more cross-sell products presented to the user is determined to be compatible with the state of the system".

However, the examiner respectfully disagree with the Appellant because Henson teaches presenting the one or more cross-sell products to the user *(Col. 6, 39-43, where "option recommended to be selected" reads on one or more cross-sell products, Col. 7, lines 22-41, which teaches merchandizing recommendation are provided to customer, and Col. 9, line 40- Col. 10, line 18, and where "cross-sell opportunities are made available in shopping cart" reads on presenting one or more cross-sell product to the user)*.

The Appellant further argued in page 13 that there is no indication that the McAfee software is being offered "at a discount based on the stat of the system," the prior art is not sufficient to establish the inherency of that result or characteristics and the appellant concluded that Henson does not inherently teaches software offered at a discount based on the state of the system.

The examiner answers that the Appellant's specification page 10 paragraph [0039] lines 13-15 indicates that "in any case, the cross-sell products may be offered at a discount price (or be entirely free), but only when purchased along with another specific product. Therefore, the Appellant's "discount" means simply "entirely free. Therefore, according to the applicant specification of paragraph [0039], lines 13-15, Henson is not missing the following limitation: "wherein each of the one or more cross-sell product presented to the user is offered at a discount based on sate of system" (*Fig. 3A, which teaches offering McAfee Virus Scan 3.1 at no additional charge for*

selecting Microsoft Window 95 or 98 reads on user is offered at a discount or entirely free for selecting one or more cross-sell product) and wherein each of the one or more cross-sell products presented to the user is determined to be compatible with the state of the system *(Fig. 3A, which teaches determining products presented to user is compatible with the system).*

The Appellant further argues in pages 14 and 15 that Henson does not teach each of the one or more cross-sell products presented to the user is determined to be compatible with the sate of the system. The Appellant argued that Henson is entirely silent with regarding to the selection box show in Figure 3A. The Appellant further argued Henson does not teach the determining compatibility with the state of the system. However, the examiner respectfully disagrees with the applicant because Henson teaches in (Fig. 3A) selection may require changes to other configuration choice and (Fig. 3C) teaches compatibility check with other system options. Henson is not silent with regarding check box; it is given a choice to check the box if a user wishes to add the product to the cart by checking the box. Additionally, Henson teaches determining, based on the user selection of one or more component product *(Col. 4, lines 41-47 and Col. 6, lines 18-43, which teach customer selects one or more product that customer interested in)* a discount value for each of one or more cross-sell products" (inherent). *Because Henson disclose the presence of items (products) in the cart with "pricing from two different discounted pricing list", which reads on product a discount value (Col. 10, lines 30-48), additionally, Henson teaches a particular type of*

customer set in which discount pricing is private and the information is password protected (Col. 14, lines 33-41)

The Appellant argued in page 17 that Henson fails to teach "an earlier system order placed by the customer is then retrieved or that there any sort of checking for cross-sell product that are compatible with both current system order and the earlier system order." The Appellant argues that Henson does not disclose the earlier system order placed by the customer is then retrieved or that there is any sort of checking for cross-sell product that are compatible with both a current system order. The Appellant further argues that the office has not provided a prim facie case of obviousness are require since Henson does not disclose any sort of storage of earlier system orders at all, or of any need for compatibility across orders.

The Examiner notes that Henson does not explicitly disclose an earlier system order placed by the customer is then retrieved or that there any sort of checking for cross-sell product that are compatible with both current system order and the earlier system order. However, Henson disclosed that the user may be an individual, a business (small, medium or large), or government agency (Fig. 8), the system ask if the user is a previous customer (Fig. 7) and option that require a check for compatibility *(Fig. 3C)*. The examiner also notes that compatibility with legacy system is always main concern to business looking to upgrade or exiting systems. Therefore, it would have been obvious to the one ordinary skill in the art at the time of the invitation was made for Henson to check the compatibility of earlier system order, also the compatibility of the components (and the whole system) with one or more previously ordered systems. One

would have been motivated to do such a compatibility check between the systems in order to allow businesses to integrate the new system with their legacy systems. Additionally, if it is determined that the two systems are not compatible (e.g. old Mac system vs new PC system), such a determination may provide the opportunity for the merchant to present an offer to the user for additional software or hardware, such as a MAC to PAC converter.

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

This examiner's answer contains a new ground of rejection set forth in section **(9)** above. Accordingly, appellant must within **TWO MONTHS** from the date of this answer exercise one of the following two options to avoid *sua sponte* **dismissal of the appeal** as to the claims subject to the new ground of rejection:

(1) **Reopen prosecution.** Request that prosecution be reopened before the primary examiner by filing a reply under 37 CFR 1.111 with or without amendment, affidavit or other evidence. Any amendment, affidavit or other evidence must be relevant to the new grounds of rejection. A request that complies with 37 CFR 41.39(b)(1) will be entered and considered. Any request that prosecution be reopened will be treated as a request to withdraw the appeal.

(2) **Maintain appeal.** Request that the appeal be maintained by filing a reply brief as set forth in 37 CFR 41.41. Such a reply brief must address each new ground of

rejection as set forth in 37 CFR 41.37(c)(1)(vii) and should be in compliance with the other requirements of 37 CFR 41.37(c). If a reply brief filed pursuant to 37 CFR 41.39(b)(2) is accompanied by any amendment, affidavit or other evidence, it shall be treated as a request that prosecution be reopened before the primary examiner under 37 CFR 41.39(b)(1).

Extensions of time under 37 CFR 1.136(a) are not applicable to the TWO MONTH time period set forth above. See 37 CFR 1.136(b) for extensions of time to reply for patent applications and 37 CFR 1.550(c) for extensions of time to reply for ex parte reexamination proceedings.

Respectfully submitted,

/Saba Dagnew/
Patent Examiner, Art Unit 3688
December 1, 2008

/James W Myhre/
Supervisory Patent Examiner, Art Unit 3688

Conferees:

James W. Myhre /J.W.M./
Supervisory Patent Examiner, Art Unit 3688

Vincent Millin /V.M./
Appeals Practice Specialist

A Technology Center Director or designee must personally approve the new ground(s) of rejection set forth in section (9) above by signing below:

WYNN W. COGGINS
TECHNOLOGY CENTER DIRECTOR